

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 733 - HB 1337

March 20, 2011

SUMMARY OF BILL: Prohibits establishments licensed to serve liquor-by-the-drink from selling energy drinks. Defines “energy drink” as any beverage that contains methylxanthines and whose main advertised purpose is to boost a person’s energy. Violation is a Class A misdemeanor punishable by fine and suspension of the entity’s license for a time period determined by the Alcoholic Beverage Commission.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the Department of Revenue, prohibiting the sale of energy drinks at establishments licensed to serve liquor-by-the-drink will reduce state and local sales tax revenue by an amount estimated to be not significant.
- There will not be a sufficient number of misdemeanor prosecutions for state or local government to experience any significant increase in revenue or expenditures.
- There will not be a sufficient number of license suspensions to experience any significant decrease to revenue collected as a result of the liquor-by-the-drink tax.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

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